

**GOVERNMENT OF INDIA  
SHIPPING, ROAD TRANSPORT AND HIGHWAYS  
LOK SABHA**

STARRED QUESTION NO:393

ANSWERED ON:20.12.2005

NEW DREDGING POLICY

Bhakta Shri Manoranjan;Patel Shri Kishanbhai Vestabhai

**Will the Minister of SHIPPING, ROAD TRANSPORT AND HIGHWAYS be pleased to state:**

- (a) the details of new Dredging Policy and its salient features;
- (b) whether the Dredging Corporation of India's share has fallen since the entry of foreign firms in the maintenance dredging sector;
- (c) if so, its likely impact on the future plan in dredging sector in the country; and
- (d) the remedial measures proposed to be taken by the Government in this regard?

**Answer**

MINISTER OF SHIPPING, ROAD TRANSPORT AND HIGHWAYS(SHRI T.R. BAALU)

(a) to (d): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF THE LOK SABHA STARRED QUESTION NO. 393 FOR ANSWER ON 20TH DECEMBER, 2005 RAISED BY SHRI KISHANBHAI V. PATEL AND SHRI MANORANJAN BHAKTA REGARDING NEW DREDGING POLICY.

(a): The present dredging policy framed after detailed discussions with all the stake holders was adopted with effect from 1/4/2004 for a period of three years. The salient features of this policy are:

- (i) The maintenance dredging requirement of Kolkata Port shall continue to be met by Dredging Corporation of India Limited (DCI).
- (ii) All major ports other than Kolkata Port shall float open tenders for their dredging contracts.
- (iii) DCI shall have the right of first refusal if its bid is within 10% of lowest technically qualified offer, for both maintenance dredging and capital dredging works including the capital dredging requirements of Kolkata Port.
- (iv) To ensure level playing field between the DCI and other Indian dredging companies, the right of first refusal has been allowed to all Indian companies provided their bid is within 10% of the lowest offer. If more than one Indian companies including DCI participate in the tender, right of first refusal will go to that Indian Company which has quoted the lowest and is within 10% of lowest technically qualified offer.

(b) to (c): New Dredging Policy allowed other Indian dredging companies to be at par with DCI. As a result, other Indian dredging companies have got some share of the maintenance dredging sector. None of DCI's dredgers has, however, remained idle on account of the new dredging policy. DCI has been deploying some of its dredgers abroad in an effort to expand its presence in the international dredging market. The present policy allows participation by the Indian (both private and public sector) as well as foreign dredging companies which provide for more competition. This also adds to the dredging capacity as well as technological improvements in the dredging sector.

(d): Does not arise.